GOVERNMENT OF INDIA
COMMUNICATIONS
LOK SABHA

UNSTARRED QUESTION NO:4333
ANSWERED ON:18.12.2000
LIBERALISATION OF TELECOM SECTOR
SRIKANTA DATTA NARASIMHARAJA WADIYAR

Will the Minister of COMMUNICATIONS be pleased to state:

(a) whether the Government has a proposal for the liberalization of Telecom sector; and

(b) if so, the steps taken by the Government in this regard?

Answer

THE MINISTER OF STATE IN THE MINISTRY OF COMMUNICATIONS (SHRI TAPAN SIKDAR)

(a) & (b): Government has taken a number of measures for liberalization of telecom sector, some of these are:

1. National Long Distance has been opened for private participation.

2. Internet Service Providers (ISPs) have been allowed to set-uptheir own Submarine cable landing stations for international gateway for Internet.

3. ISPs have been permitted to take bandwidth directly from the foreign satellites that are co-ordinated over India, for setting up of international gateways for Internet.

4. 74% foreign equity is permitted in companies owning and operating Commercial satellite.

5. Opening of International Long Distance voice has been pre-poned to April 2002 from 2004.

6. FDI up to 100%, subject to certain conditions has been permitted in respect of the following areas in telecom sector:-

i) ISPs not providing gateways (both for satellite and submarine cables);

ii) Infrastructure Providers providing dark fibre (IP Category I);

iii) Electronic Mail; and

iv) Voice Mail.

7. Telecom services have been separated from the policy and licensing functions, and corporatised to from Bharat Sanchar Nigam Ltd. (BSNL).

8. Telecom Regulatory Authority of India Act (TRAI Act) has been amended to strengthen the regulator and constitute a Telecom Dispute Settlement and Appellate Tribunal.